ISSN 2368-8874

INFORMATION BULLETIN

April 16, 2015 **2015-3**

INCREASE IN THE TAX ON LODGING IN THE CHAUDIÈRE-APPALACHES TOURISM REGION

The government set up a tourism partnership fund to strengthen and sustain the promotion and development of tourism in Québec. The fund is financed in part by a tax on lodging applicable to each accommodation unit rented in a sleeping-accommodation establishment located in a tourism region of Québec that makes such a request to the government through its regional tourism association (RTA).

The revenues generated by this tax, after deduction of its administration costs, are remitted to the participating regions, and the amounts thus remitted are used in accordance with the terms and conditions agreed to in a memorandum of understanding between the ministère du Tourisme and the RTAs of the participating regions.

RTAs that want the tax on lodging to apply in their territory can choose between a specific tax of $2 or $3 per overnight stay or an ad valorem tax of 3% of the price of each overnight stay.

The specific tax on lodging of $2 per overnight stay has applied in the Chaudière-Appalaches tourism region since January 1, 2003. Following a request submitted by the RTA of this region, the specific tax of $2 per overnight stay will be replaced, as of June 1, 2015, by the specific tax of $3 per overnight stay.

Accordingly, the operator of a sleeping-accommodation establishment located in this tourism region will have to collect or pre-collect, as the case may be, the specific tax on lodging of $3 for any accommodation unit rented in its establishment that he invoices after May 31, 2015 for occupation after that date.

However, the operator of a sleeping-accommodation establishment will not have to pre-collect the $3 tax for accommodation units billed to a travel intermediary, where the price of such units was set under an agreement reached before June 1, 2015 between the operator and the intermediary, and their occupation by tourist customers takes place between May 31, 2015 and March 1, 2016. In these circumstances, the operator will continue to be required to pre-collect the existing $2 tax.

For information concerning this information bulletin, contact the Secteur du droit fiscal et des politiques locales et autochtones at 418 691-2236.

The English and French versions of this bulletin are available on the Ministère des Finances website at www.finances.gouv.qc.ca.